



JASPER 
ENGINES & TRANSMISSIONS
100% Associate Owned

**DRIVE
LINE**

News and Updates From Jasper Engines & Transmissions

June 2017

In This Issue...

Customer Profile:
Cooper Service **pg. 2**

JASPER® Offers Two-Year Warranty on 6.0L PowerStroke and 6.6L Duramax Complete Diesel Engines **pg. 3**

Scan This QR Code for Duramax Tech Update Videos **pg. 3**

JASPER® Prepares High School Students for Career Opportunities **pg. 4**

DeLorenzo Named JASPER® Manager of Process Control and Sales Support **pg. 4**

Country Singer Visits JASPER®, Promotes Retreat for Wounded Warrior Veterans **pg. 5**

Exceptional Customer Service **pg. 6**

Chip Morris: Internal Customer Service **pg. 6**

Bob Cooper: Know Your Numbers **pg. 7**



Diesel Division Relocation/Renovation Project... A Progress Report



POD 70 of the Diesel Division (left) remanufactures the current lineup of V8-style engines, including the 6.0L, 6.4L, 444 and Duramax engines. POD 90 (right) is in the initial setup stages, and will remanufacture several of the popular inline diesel engines from Cummins and Caterpillar.

The first of three remanufacturing work areas is complete in the Diesel Division Renovation and Relocation project. Now space is being cleared for the second diesel work area.

The newly completed POD 70 moved from its original location along the south wall of the Wernsing Road facility. Formerly known as the Diesel High-Volume area, POD 70 remanufactures the current JASPER® lineup of V8-style diesels, including the 6.0L 6.4L, 444 and Duramax engines. It's new area was the former location of the Gas Parts Department, which is now in a temporary location, and will soon be combined with the Diesel Parts Department at the south end of the building.

The middle of the Diesel Division assembly area is being prepared for the formation of POD 90, which will remanufacture several of JASPER's popular inline diesel engines, including the ISB, 6.7L and 6B Cummins, along with the Caterpillar C7, 3116 and 3126 engines.

"These engines use the same type of block and head machining equipment," said Ryan Dooley, JASPER Diesel Division manager. "So their setup is quite similar."

The layout of POD 90 will be similar to the PODs within the Gas Division, with departments for disassembly, block and head machining, and assembly. However, the size of these diesel engines make them too heavy to be moved around with a conveyor. "We are developing a 'floating conveyor' system for final assembly," said Dooley. "The engine will move from station to station on an air suspension system, and utilize lift tables that will be air powered as well."

"Each work station will also be pared down so that only the tools needed to do the job at that station will be provided," Dooley said.

"The advantage for JASPER, and for our customers, is that our built-in quality process divides the remanufacturing steps into smaller pieces of work," added Dooley. "It makes the work more intuitive for the Associate, and makes for a repeatable, and more efficient, process."

The third, and final, POD proposed for the Diesel Division will be POD 80. It will remanufacture the International inline-series engines, the 2.7L Mercedes, Caterpillar 3208, and all of the custom diesel applications, including Detroit and Perkins engines. Work on POD 80 is scheduled for late 2017.

Published by:
 Jasper Engines & Transmissions
 P.O. Box 650
 Jasper, IN 47547-0650
 Phone: 800-827-7455
 Fax: 812-634-1820
 www.jasperengines.com

Customer Profile

Cooper Service

South suburban Chicago is home to our Customer Profile for May: Cooper Service. Located in Orland Park, Illinois, Cooper Service is a full-service auto and truck repair facility, with light-duty and heavy-duty towing and recovery capabilities.

Don Cooper is the 2nd generation owner of the business. Don's father, Paul, started the business in 1956 as a Conoco-Phillips station on West 159th Street in Orland Park. The business was named *Paul's Conoco* until about 15 years ago, when the name was changed to Cooper Service, Inc. It was also about that time the business changed locations, and moved to its present address at 16400 South 104th Street in Orland Park.

Cooper Service boasts 16,000 square feet of space. This includes 11 service bays, with overhead cranes in each bay, and an entrance and lobby area roughly the size of the original location.

No job seems too big, or too small for Cooper Service. Their services include complete auto and truck repair, computer, mechanical and electronic diagnostics and repair, and a heavy-duty and light-duty towing and recovery program. It has three tow trucks and an on-site mobile service truck.

"Our #1 goal is when a customer's vehicle leaves here, their problem is fixed," Don Cooper said. "Cooper Service invests in the facility, tooling, equipment and personnel training to make that goal a success."



The original Paul's Conoco Phillips Station opened in Orland Park, Illinois, in 1956.

Speaking of personnel, Cooper Service is staffed by 10 associates, including four ASE-Certified technicians. The company encourages their employees to further their automotive education, as it helps determine their pay level. Cooper will pay for additional employees' education, depending on the subject of the seminar.

Cooper Service has been an installer of JASPER[®] quality remanufactured gas and diesel engines, transmissions, differentials and diesel fuel components since the 1950s. "Product quality is #1," said Don Cooper. "Our customers are happy with JASPER components. If there ever is an issue, it is taken care of quickly and professionally."

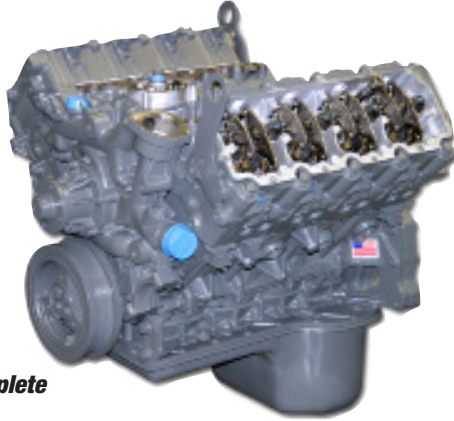
"Cooper Service continually invests in whatever it takes to do the job right for the customer," added Don. Whether that be in the tooling, facility improvements, or the training of our employees.

The future for Cooper Service is to continue to grow and invest in the business, and to continue to provide the best service for their customers.



Cooper Service of Orland Park, Illinois, has been a JASPER installer since the 1950's.

JASPER® Offers Two-Year Warranty on 6.0L PowerStroke and 6.6L Duramax Complete Diesel Engines



6.0L PowerStroke Complete Diesel Engine

Jasper Engines & Transmissions is pleased to announce that it now offers a Two-Year, Unlimited Mileage, Parts & Labor Warranty on the following COMPLETE Diesel Engine Families:

- 6.0L PowerStroke (E & F Series Applications)
- 6.6L Duramax

This warranty is equivalent to JASPER's warranty for running complete diesel engines for school bus and Class 5-6-7 applications. Both the 6.0L PowerStroke, and the 6.6L Duramax COMPLETE engines include the block, heads, crank, cam, rods, valve train, oil pump, oil pan and pickup tube, oil filter, oil cooler, inner & outer gear covers and finishing gaskets.

"JASPER's remanufactured engine includes machining, assembly and testing processes that will help assure the customer of maximum engine life and performance," said Ryan Dooley, JASPER Diesel Division Manager.

"Each JASPER Complete Engine is completely remanufactured with a standard set of new parts," said Dooley, "while all other castings and components are remanufactured, and re-qualified, to meet or exceed OEM specifications."

Full warranty disclosure for these engines is available upon request. For more information on the complete line of JASPER remanufactured diesel engines, log onto jasperengines.com or call 1.800.827.7455, extension 97165.



6.6L Duramax Complete Diesel Engine

Scan This QR Code for Duramax Tech Update Videos



If you scan the QR code above, you can view the JASPER® Technical Update videos on our remanufactured Duramax Diesel Engine.

JASPER helps customers overcome issues on these engines through several competitive features and benefits that include:

- Duramax blocks are 100% align honed to meet, or exceed, original specifications, including the size, shape and alignment of the saddles to prevent crank damage.
- Crankshafts are polished (not machined) to an Ra finish of 10 or less, maintaining OE nitride hardness to ensure long crank life and to prevent broken cranks.
- Duramax blocks are torque-plate honed to provide cylinder wall geometry that matches the cylinder head, as in final assembly, for improved ring sealing.

Make JASPER your brand of choice. Call us at 800.827.7455 or log onto www.jasperengines.com for more information.

JASPER® Prepares High School Students for Career Opportunities



Students of the Loogootee High School Business Simulation Class took a recent tour of JASPER's Power Drive facility.

Jasper Engines & Transmissions kicked off a business simulation project with Loogootee High School (LHS) in Indiana.

Since the beginning of the program, at the start of the 2016-2017 school year, the program's intention has been to introduce high school students to LEAN principles, and life skills, that will better prepare them for future career opportunities. The program is a partnership between JASPER, the DirectEmployers Association and Loogootee High School.

"Since early last year, JASPER created a curriculum that challenges students to collaborate with one another, and use creativity in solving problems," said Mark Balsmeyer, JASPER® project administrator. "One of the classrooms at Loogootee High School was upgraded to mirror the facilities at our Power Drive location."

30 students were enrolled in the initial program. They receive training and support from three primary volunteers from JASPER, three teachers from LHS, and one primary manager from the DirectEmployers Association. "The kids have done a wonderful job of using the tools they've learned and in getting involved," Balsmeyer said.

JASPER standards are introduced to students, in order to mimic conditions that represent current hiring requirements. These include: getting to class on time, wearing a grey T-shirt, name tag and tucking in their shirt. "These are simple standards that sometimes get taken for granted," said Balsmeyer.

JASPER volunteered to teach two periods, once a week, in order to share business standards with students. These simulations included: creating intuitive work, practicing Continuous Improvement, creating standards, career opportunity identification and safety awareness.

"These simulations help to prepare students for future career decisions and to open doors to potential job opportunities at JASPER," added Balsmeyer. "All of this continues to promote JASPER as the Company of Choice for our Associate-Owners."

DeLorenzo Named JASPER® Manager of Process Control and Sales Support



Jasper Engines & Transmissions is pleased to announce that Judah DeLorenzo has accepted the position of Manager of Process Control and Sales Support.

In an effort to improve our focus on our processes and new products, JASPER has put additional emphasis in the department, which will be responsible for Auditing, Document Control, Cataloging, Process Changes, Sales Support and New Product Releases.

Judah began his career with JASPER in 2009 and has worked in several capacities within the company, including Group Leader over the Bill of Materials (BOM) department, Cataloging, Internal Process Auditing and Life Cycle Management. His most recent position was Assistant Manager of the Product Development department.

"JASPER has continued to grow, and with that growth there are more opportunities within the company," said JASPER® President, Zach Bawel. "We need to make sure we stay in front of the competition in new product offerings."

A JASPER Letter of Thanks

I would like to take this opportunity to thank you for a very enjoyable and informative tour of the JASPER remanufacturing facilities. My entire experience was extremely well organized and pleasant from beginning to end. Touring the facilities allowed me to appreciate exactly how much expertise and quality goes into remanufacturing a JASPER product. Along with learning more about specific JASPER products, the tour allowed me to ask questions regarding the entire remanufacturing process.

Thank you again for a unique insight into Jasper Engines & Transmissions and for providing your customers with complete access to the JASPER facilities. I would also like to personally thank our JASPER representative, Joe Tomlinson, for the exceptional job he does all year long.

*Sincerely,
Michael Cole, Owner
Michael Cole Enterprises, Inc.
West Grove, Pennsylvania*

Country Singer Visits JASPER[®], Promotes Retreat for Wounded Warrior Veterans



Ride N High Records recording artist, Colton James, performs a free concert to JASPER Associates during lunch at the Wernsing Road facility (left). The video crew shoots a segment for the music video "Brave Men" with JASPER Military Veteran Associates (right).

Country music singer/songwriter, Colton James, has become a regular visitor to Jasper Engines & Transmissions in recent months, not only to show his support for the 190 military veteran Associates that work at our facilities, but to also share information about his Harvest 4 Heroes project.

James initially visited JASPER February 22nd to give a free concert for Associates over lunch at the Wernsing Road facility. His most recent visit was April 5th to shoot a music video for his song, "Brave Men", a tribute to all that have served, or are serving, in the Armed Forces. Some of JASPER's Military Veteran Associates were asked to participate in James' video, and contribute a picture of themselves in uniform for the shoot.

"We are really excited to be at Jasper Engines & Transmissions, the fact you employ so many veterans across the country is awesome," said James. "One thing this video is going to stand for is going to be representing what all of our brave men and women do."

"In the song, it says, 'Whether it's Army, Navy, Air Force, Marines, National and Coast Guards, we're all on the same team,'" said James. "The next time you pass a soldier, stop

and shake their hand, say a silent prayer, that you will see them again,' and that's what this video is about."

"I'd like to thank JASPER, the Associates and their families for their support," added James. "I think we came up with something pretty cool, and I think you guys will like it."

"Harvest 4 Heroes is a project that will fund the support needed for our past and present wounded war Veterans in providing them an opportunity to enjoy our country's great outdoors," James said. "This project allows them to have some normalcy in their lives and enjoy activities that they may not traditionally be able to."

A retreat is being built within an hour's drive of Norfolk, Virginia, in rural Southampton County in the heart of peanuts, cotton, corn and soybean fields. The log retreat will be approximately 15,000 square feet and specifically designed to meet the needs of physically, and mentally, wounded military veterans.

Situated in a rural setting of farmland and woods on 270 acres, this retreat will allow many outside activities including hunting, fishing, swimming, camping, bonfires and so much more. It is designed to provide bonding opportunities for Veterans, and their families, while having fun together in a safe environment.

Colton James is a native of Courtland, Virginia, and currently lives in Nashville, Tennessee, as a recording artist for Ride N High Records. Over the years, Colton has perfected his songwriting and guitar playing skills resulting in opening for Toby Keith, Mark Chestnut, Chris Cagle, Joe Nichols, the Dixie Chicks, Lonestar, Keith Anderson, and Trick Pony.



Colton handed out Easter hams to JASPER Associates April 5th.

Internal Customer Service

by Chip Morris, JASPER Call Center Manager

Chip Morris

Chip Morris holds undergraduate and graduate degrees in education from the Anderson College and the University of Florida. Chip joined JASPER in 2000. He spent the first 14 years in Inside Sales, and has served as the Call Center Manager for both Inside Sales and Customer Service the past two years.



Who are our customers? I think the answer to that question is... EVERYONE!

As Business Owners, we invest a lot of time and money into attaining, and retaining, customers. We do that because those paying customers provide the means for us to keep our doors open, feed our families and, for most of us, work in a field that we truly enjoy. I'd like to challenge everyone to put that same effort into our internal customers.

A few years ago, I was challenged to begin working with our Customer Service team, after spending the previous 14 years with Inside Sales. Needless to say, sales people, and warranty technicians, are not wired the same. I was humbled in my new role, which presented me with a new challenge to learn just what makes a warranty technician tick? Most of the sales people I had worked with through the years were high-energy, low-patience people, just like me. For the most part, our Customer Service warranty techs are much more patient and detailed. Both groups are talented, but very different.

I'm guessing more than a few of our loyal shop owners started off as technicians. You had a passion for the automotive world, a great problem solver, and a desire to own your own business.

You had a vision of what success would look like with you at the helm. I urge you to consider, and always remember, your internal customers play a huge role in achieving that success.

According to the Harvard Business Review, the number one reason people leave their jobs is because they don't like their boss. People want to have a leader that sets the example for what they expect from their employees. Here are a few ideas we practice at Jasper Engines & Transmissions:

- 1) Look at each Associate-Owner as revenue.** All of our Associate-Owners are contributing to the bottom line, regardless of their role. The same can be said for your employees. In addition, attrition has always been expensive for companies, but in many industries, the cost of losing good workers is rising. As work becomes more team-focused, seamlessly plugging in new players is more challenging.
- 2) Facebox.** Our Facebox program involves sitting down with our Associate-Owners on a monthly basis to talk about anything they choose. I encourage you to build personal relationships with your Associates and, in general, just ask them how they are doing.
- 3) Catch them doing something good and reward them for it.** Although it sounds easy, most do the opposite. Focus on the positive.
- 4) Ask your associates for ideas.** Statistics show employees want to be heard. They want to have a purpose, and buy into the success of the company.

You are the leader of your people. Find out what makes each associate tick, and feed their passion. Doing something nice for someone can go a long way toward building relationships. Keep this in mind for both your internal, and external, customers.

Exceptional Customer Service

We know that concerns about ordering the correct engine, transmission or differential application cause some people to shy away from the convenience of online ordering through your myjasperaccount. We hope, though, the following testimonial, written to Kevin Nichols, Sales Manager of our Grand Rapids, MI, Branch, will help assure you of the systems we have in place to make your online ordering go smoothly and accurately.

Kevin,

I am contacting you today to share my experience that, in my opinion, shows JASPER's exceptional Customer Service.

Last night online, I processed a VIN search for an F250 engine. The results showed two different options. One for a 16mm spark plug, and (the other) a 12mm plug. Pulling the plug we had already exchanged, we determined by our measurement it was the 12mm selection. Promptly this morning, we received a call from your representative to consult with us the possibility of us selecting the incorrect engine based off of the VIN.

I returned the call when I arrived to work, clarified with the representative what measurement of the plug is being referenced to. In finding out it was the thread measurement, we were able to determine the selection was in fact incorrect, and we needed the other engine to correctly complete this engine replacement.

All of this was expedited so promptly, and with such care, that no time has been lost in receiving this item. I would like to thank Jasper Engines and Transmissions for reviewing my order for accuracy before sending the unit to me, and the care that was taken with my purchase to make sure we here at Affordable Auto Care were very well taken care of by your establishment.

Please give my personal thanks to the representatives that helped us on this.

*Sincerely,
Stormy Darling
Service Manager
Affordable Auto Care
Paw Paw, Michigan*

Know Your Numbers

By Bob Cooper, President & Founder/EliteWorldwide

Bob Cooper

has functioned as the developer, owner and an operator of some of the most successful auto repair shops in North America.



Bob is a member of the prestigious National Speakers Association and is one of the nation's leading authorities on both personal and career success. Today Bob speaks nationally, as well as internationally, to many trade associations, universities, private banking groups and Fortune 500 companies.

Over the last 25 years I've been amazed to discover just how many shop owners are lost when it comes to knowing and understanding "the numbers". In order to build a successful auto repair shop, you are going to need to know two sets of numbers: your "financial" benchmarks, and your "operational" benchmarks. Without a clear understanding of these benchmarks, it becomes quite challenging for shop owners to pinpoint where they are falling short of their goals, and where improvements need to be made. Far too many times I've seen shop owners finally start monitoring these numbers closely, and quickly realize that for years they haven't been charging enough for parts, have been overpaying their employees, have been operating inefficiently, etc. There's no doubt about it: A clear understanding of your shop's financial and operational benchmarks is critical to effective auto repair shop management.

Since your part cost is one of your largest expenses, it's something you need to monitor continuously. At Elite, our top clients spend no more than an average of 52% of the dollars they bring

in through their part sales, on part cost. This means that if they bring in \$40,000 in part sales by the end of the month, the cost of those parts should not exceed \$20,800 ($\$40,000 \text{ in part sales} \times 52\% = \$20,800 \text{ part cost.}$) Please bear in mind that you'll see lower margins on large ticket items like engines, transmissions and computers, and you'll see higher margins on inexpensive parts. If you find you are spending more than an average of 52% of your part sales on part cost, then you need to take a good hard look at how you price your parts, any parts that are being replaced at no charge, your warranty failures, purchasing habits, and the possibility of theft.

When it comes to your direct labor (the cost of your techs), the top shops we work with spend no more than 40% of the dollars they bring in through labor sales, on technician pay. This means that if they bring in \$40,000 in labor sales by the end of the month, their technician payroll does not exceed \$16,000 ($\$40,000 \text{ in labor sales} \times 40\% = \$16,000 \text{ labor cost.}$)

You also need to pay close attention to the cost of your service advisors, and here at Elite, we like to see that number at no more than 8% of your total part and labor sales. For example, if your shop generates \$80,000 in monthly auto repair sales, your advisors should not be costing you more than \$6,400.00 ($\$80,000 \text{ total sales} \times 8\% \text{ target} = \$6,400 \text{ advisor cost.}$)

You'll need to watch your "operational" benchmarks very closely as

well. One key indicator is your labor hours per repair order, and our top clients consistently generate at least 2 - 2.5 hours of labor sales with their average repair order. If you are not seeing 2 - 2.5 hours per repair order at your shop, you need to review your vehicle inspection process, what's being recommended to your customers, and the declined services.

And then lastly, after you pay all your expenses, there's the money that is left over for you. In business we call that profit, and the top shops will typically earn a profit of 15 - 20% of sales. So if your shop is generating \$80,000 in monthly sales, in most cases, you should be able to earn \$12,000 - \$16,000 per month in taxable income. The good news is, if you know your numbers, and if you never put money ahead of people, you should be able to generate these profits in a professional and ethical way.

Editor's Note: "Since 1990, Bob Cooper has been the president of Elite (www.EliteWorldwide.com), a company that strives to help shop owners reach their goals and live happier lives, while elevating the industry at the same time. For additional help understanding your shop's numbers, and how to move them in the right direction, feel free to take advantage of the Elite KPI Center for JASPER customers. Here is the info you'll need to access it:

**<http://www.eliteworldwide.com/jasper>
Password: JASPER**

KNOW YOUR NUMBERS





100% Associate Owned

JASPER ENGINE AND TRANSMISSION EXCHANGE
815 Wernsing Road · P.O. Box 650 · Jasper, IN 47547-0650
e-mail: sales@jasperengines.com
www.jasperengines.com

Prst. Std.
U.S. Postage Paid
Jasper, IN 47546
Permit 249



JASPER® Sponsors Habitat for Humanity House in Dubois County



(Top) The groundbreaking for JASPER's latest Habitat for Humanity home was held April 22nd in Huntingburg, Indiana.
(Above) The recipient of the home poses with her son.

Ground was broken April 22nd for the newest Habitat for Humanity home sponsored by Jasper Engines & Transmissions.

The site of the home is located in Huntingburg, Indiana. The day's events included the ceremonial turning of the dirt to recognize the beginning of the home construction for a deserving mother and her two children.

Habitat for Humanity of Dubois County was founded 18 years ago, and has helped 13 local families by partnering with them to build simple, decent housing.

Habitat selects "partner families" to become Habitat homeowners. Before the groundbreaking could begin, partner families must invest a minimum of 150 hours of "Sweat Equity", usually by helping to build other Habitat homes elsewhere. Beyond the groundbreaking, a partner family must then invest a cumulative total of 300 hours in order to move into their own Habitat house.

"Jasper Engines & Transmissions believes in the mission of Habitat, and the process of Partner Families investing 'sweat equity' into the ownership of their new home," said Zach Bawel, JASPER President. "It helps build the pride of ownership."